

### **REMARKS**

The non-Final Office Action dated February 12, 2007 has been received and reviewed. Prior to the present communication, claims 1–33 were pending in the subject application. Claims 1, 2, 4, 6, 7, 10, 12, 13, 15, 17, 18, 21, 23, 24 and 26–33 have been amended as herein above set forth, claims 3, 14, and 25 have been cancelled, and claims 34–36 have been added. Accordingly, claims 1, 2, 4–13, 15–24, and 26–36 remain pending after the amendments. It is respectfully submitted that no new matter has been added by way of the present amendments. Reconsideration of the subject application is respectfully requested in view of the above amendments and the following remarks.

### **Abstract of the Disclosure**

The Abstract of the Disclosure has been objected to as exceeding 150 words in length. The Abstract of the Disclosure has been amended as herein above set forth and is now no more than 150 words in length. Accordingly, the objection is believed to have been overcome and withdrawal thereof is respectfully requested.

### **Claim Objections**

Claims 3, 14, and 25 have been objected to because they recite the limitation “Medicare guidelines and Medicare guidelines”. Claims 3, 14, and 25 have been cancelled by way of the present communication and, accordingly, the objection has been rendered moot.

### **Rejections based on 35 U.S.C. § 112**

Claims 23–33 stand rejected under 35 U.S.C. § 112, first paragraph, as failing to comply with the enabling requirement. In particular, it is stated that independent claim 23 “is a

product-by-process claim; however, the recited method does not generate a billing item.” Office Action at page 3, ¶ 6. Claim 23 has been amended herein to recited one or more computer-readable media having computer-executable instructions embodied thereon that, when executed, perform a method for conditioning a clinically related billing item. It is respectfully submitted that, as amended, claim 23 is in compliance with the enablement requirement of 35 U.S.C. § 112, first paragraph. Each of claims 24, 26–33 and new claim 36 depends, either directly or indirectly, from independent claim 23 and, as such, are believed to be similarly enabled. Accordingly, withdrawal of the 35 U.S.C. § 112, first paragraph, rejection of claims 23, 24, 26 – 33 is respectfully requested. Claim 25 has been cancelled by way of the present amendment and, accordingly, the rejection of this claim has been rendered moot.

Claims 1-11, 14, and 23–33 stand rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which the Applicant regards as the invention due to a number of informalities enumerated in the Office Action. *See, Office Action* at page 4, ¶ 8. The claims have been amended as herein above set forth and, as amended, are believed to overcome all of the 35 U.S.C. § 112, second paragraph, rejections set forth. Particularly, improper antecedent basis in claims 1 and 2 has been corrected, claims 3 and 14 have been cancelled, and claim 23 has been amended such that all essential steps are believed to be recited. In view of the above amendments, the 35 U.S.C. § 112, second paragraph, rejections of claims 1, 2, 4–11, 23, 24 and 26–33 are believed to be overcome and withdrawal thereof is respectfully requested. Claims 3, 14 and 25 have been cancelled herein and, accordingly, the rejection of these claims has been rendered moot.

**Rejections based on 35 U.S.C. § 101**

Claims 23–33 stand rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter. Claim 23 has been amended herein to recite one or more computer-readable storage media having computer-executable instructions embodied thereon that, when executed, perform a method for conditioning a clinically related billing item. It is respectfully submitted that computer-readable storage media as recited in claim 23 is statutory subject matter and, accordingly, it is respectfully requested that the 35 U.S.C. § 101 rejection of this claim be withdrawn. Each of claims 24 and 26–33 has been amended to properly reference the computer-readable storage media of claim 23 and, accordingly, is believed to be directed to statutory subject matter as well. As such the 35 U.S.C. §101 rejection of claims 24 and 26–33 is respectfully requested. Claim 25 has been cancelled by way of the present amendment and, accordingly, the rejection of this claim has been rendered moot.

**Rejections based on 35 U.S.C. § 102(b)**

A.) Applicable Authority

Anticipation “requires that the same invention, including each element and limitation of the claims, was known or used by others before it was invented by the patentee,” *Hoover Group, Inc. v. Custom Metalcraft, Inc.*, 66 F.3d 299, 302, 36 U.S.P.Q.2d 1101, 1103 (Fed. Cir. 1995). “[P]rior knowledge by others requires that all of the elements and limitations of the claimed subject matter must be expressly or inherently described in a single prior art reference.” *Elan Pharms., Inc. v. Mayo Foundation for Medical Educ. & Research*, 304 F.2d 1221, 1227, 64 U.S.P.Q.2d 1292 (Fed. Cir. 2002) (citing *In re Robertson*, 169 F.3d 743, 745, 49 U.S.P.Q.2d 1949, 1950 (Fed. Cir. 1999); *Constant v. Advanced Micro-Devices, Inc.*, 848 F.2d

1560, 1571 7 U.S.P.Q.2d 1057, 1064 (Fed. Cir. 1988)). “The single reference must describe and enable the claimed invention, including all claim limitations, with sufficient clarity and detail to establish that the subject matter already existed in the prior art and that its existence was recognized by persons of ordinary skill in the field of the invention.” *Id.* (citing *Crown Operations Int’l, Ltd. v. Solutia Inc.*, 289 F.3d 1367, 1375, 62 U.S.P.Q.2d 1917, 1921 (Fed. Cir. 2002); *In re Spada*, 911 F.2d 705, 708 15 U.S.P.Q.2d 1655, 1657 (Fed. Cir. 1990)). *See also*, *PPG Indus., Inc. v. Guardian Indus. Corp.*, 75 F.3d 1558, 1566, 37 U.S.P.Q.2d 1618, 1624 (Fed. Cir. 1996) (emphasis added).

B.) Anticipation Rejection Based on U.S. Patent No. 5,253,164 to Holloway et al.

Claims 1, 2, 4-7, 9-12, 15-18, 20-23, 26-29, and 31-33 have been rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,253,164 to Holloway et al. (hereinafter the “Holloway reference”). As the Holloway reference does not describe, either expressly or inherently, each and every element of the rejected claims, as amended herein, Applicant respectfully traverses the rejection, as hereinafter set forth.

Independent claim 1, as amended herein, recites, in part, a system for conditioning a clinically related billing item. The system includes an input interface configured to receive a preliminary billing item associated with a clinical event and a conditioning engine. The conditioning engine communicates with the input interface to receive the preliminary billing item and analyzes, *as a condition precedent to transmitting the billing item to a paying party*, the preliminary billing item by comparison against at least one mandatory billing guideline to determine compliance therewith.

By way of contrast, the Holloway reference describes a system for detecting and rejecting fraudulent medical claims by *receiving* a coded claim to be processed *from the entity from whom payments are requested*, assessing the coded claims to determine if payment is proper or if fraud/improper billing is suspected, and *generating* either *a recommendation that payment is proper or a request for further information* to be obtained, *e.g.*, from the entity providing the claim for payment. *See, Holloway reference* at col. 4, lines 23–27 and 54–64. That is, the Holloway reference describes a system to be utilized by the paying party to assess claims and determine if payment is proper rather than a system wherein *as a condition precedent to transmitting a billing item to a paying party*, the billing item is analyzed against at least one mandatory billing guideline to determine compliance therewith, as recited in independent claim 1, as amended herein.

As the Holloway reference fails to describe, either expressly or inherently, each and every element of independent claim 1, as amended herein, it is respectfully submitted that the Holloway reference fails to anticipate this claim. Each of claims 2, 4–7 and 9–11 depends, either directly or indirectly, from amended independent claim 1 and, accordingly, it is believed that these claims are not anticipated by the Holloway reference for at least the above-cited reasons. Accordingly, withdrawal of the § 102(b) rejection 1, 2, 4–7 and 9–11 is respectfully requested. Each of these claims is believed to be in condition for allowance and such favorable action is respectfully requested.

Independent claim 12, as amended herein, recites, in part, a method for conditioning a clinically related billing item. The method includes receiving a preliminary billing item associated with a clinical event and analyzing, *as a condition precedent to*

*transmitting the preliminary billing item to a paying entity*, the preliminary billing item by comparison against at least one mandatory billing guideline to determine compliance therewith.

As previously set forth in association with claim 1, the Holloway reference, on the other hand, describes a system for detecting and rejecting fraudulent medical claims by *receiving* a coded claim to be processed *from the entity from whom payments are requested*, assessing the coded claims to determine if payment is proper or if fraud/improper billing is suspected, and *generating either a recommendation that payment is proper or a request for further information* to be obtained, *e.g.*, from the entity providing the claim for payment. *See, id.* at col. 4, lines 23–27 and 54–64. That is, the Holloway reference describes a system to be utilized by the paying party to assess claims and determine if payment is proper rather than a system wherein *as a condition precedent to transmitting a billing item to a paying party*, the billing item is analyzed against at least one mandatory billing guideline to determine compliance therewith, as recited in independent claim 12, as amended herein.

As the Holloway reference fails to describe, either expressly or inherently, each and every element of independent claim 12, as amended herein, it is respectfully submitted that the Holloway reference fails to anticipate this claim. Each of claims 15–18 and 20–22 depends, either directly or indirectly, from amended independent claim 12 and, accordingly, it is believed that these claims are not anticipated by the Holloway reference for at least the above-cited reasons. Accordingly, withdrawal of the § 102(b) rejection 12, 15–18 and 20–22 is respectfully requested. Each of these claims is believed to be in condition for allowance and such favorable action is respectfully requested.

Independent claim 23, as amended herein, recites one or more computer-readable storage media having computer-executable instructions embodied thereon that, when executed,

perform a method for conditioning a clinically related billing item. The method includes, in part, receiving a preliminary billing item associated with a clinical event and analyzing, *as a condition precedent to transmitting the billing item to a paying party*, the preliminary billing item by comparison against at least one mandatory billing guideline to determine compliance therewith.

As previously set forth in association with claim 1, the Holloway reference, on the other hand, describes a system for detecting and rejecting fraudulent medical claims by *receiving* a coded claim to be processed *from the entity from whom payments are requested*, assessing the coded claims to determine if payment is proper or if fraud/improper billing is suspected, and *generating either a recommendation that payment is proper or a request for further information* to be obtained, *e.g.*, from the entity providing the claim for payment. *See, id.* at col. 4, lines 23–27 and 54–64. That is, the Holloway reference describes a system to be utilized by the paying party to assess claims and determine if payment is proper rather than a system wherein *as a condition precedent to transmitting a billing item to a paying party*, the billing item is analyzed against at least one mandatory billing guideline to determine compliance therewith, as recited in independent claim 23, as amended herein.

As the Holloway reference fails to describe, either expressly or inherently, each and every element of independent claim 23, as amended herein, it is respectfully submitted that the Holloway reference fails to anticipate this claim. Each of claims 26–29 and 31–33 depends, either directly or indirectly, from amended independent claim 23 and, accordingly, it is believed that these claims are not anticipated by the Holloway reference for at least the above-cited reasons. Accordingly, withdrawal of the § 102(b) rejection 23, 26–29 and 31–33 is respectfully requested. Each of these claims is believed to be in condition for allowance and such favorable action is respectfully requested.

**Rejections based on 35 U.S.C. § 103(a)**

A.) Applicable Authority

The basic requirements of a *prima facie* case of obviousness are summarized in MPEP § 2143 through § 2143.04. In order “[t]o establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success [in combining the references]. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art and not based on applicant’s disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991)”. See MPEP § 2143. Recently, the Supreme Court elaborated, at pages 13-14 of the *KSR* opinion, that “it will be necessary for [the Office] to look at interrelated teachings of multiple [prior art references]; the effects of demands known to the design community or present in the marketplace; and the background knowledge possessed by [one of] ordinary skill in the art, all in order to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the [patent application].” *KSR v. Teleflex*, No. 04-1350, 550 U.S. \_\_\_\_ (2007).

Further, in establishing a *prima facie* case of obviousness, the initial burden is placed on the Examiner. “To support the conclusion that the claimed invention is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan



would have found the claimed invention to have been obvious in light of the teachings of the references. *Ex parte Clapp*, 227 USPQ 972, 972, (Bd. Pat App. & Inter. 1985).” *Id.* See also MPEP § 706.02(j) and § 2142.

B.) Obviousness Rejection Based upon the Holloway reference.

Claims 3, 13-14, and 24-25 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the Holloway reference, as applied to claims 1, 12, and 23. As the Holloway reference fails to teach or suggest all of the limitations of rejected claims 13 and 24, Applicant respectfully traverses the rejection of these claims, as hereinafter set forth. Claims 3, 14 and 25 have been cancelled by way of the present communication and, accordingly, the rejection of these claims has been rendered moot.

Claim 13 is dependent upon claim 12, which claim was discussed herein above. It is respectfully submitted that with respect to amended independent claim 12, the Holloway reference fails to teach or suggest, a method including receiving a preliminary billing item associated with a clinical event and analyzing, *as a condition precedent to transmitting the preliminary billing item to a paying party*, the preliminary billing item by comparison against at least one mandatory billing guideline to determine compliance therewith. Rather, the Holloway reference describes a system to be utilized by the paying party to assess claims and determine if payment is proper rather than a system wherein *as a condition precedent to transmitting a billing item to a paying party*, the billing item is analyzed against at least one mandatory billing guideline to determine compliance therewith, as recited in independent claim 12, as amended herein. Accordingly, it is believed that claim 12 is non-obvious in view of the Holloway reference.

Claim 13 depends directly from independent claim 12 and, accordingly, claim 13 is believed to be non-obvious in view of the Holloway reference for at least the above-cited reasons. As such, withdrawal of the 35 U.S.C. § 103(a) rejection of claim 13 is respectfully requested. Claim 13 is believed to be in condition for allowance and such favorable action is respectfully requested.

Claim 24 is dependent upon claim 23, which claim was discussed herein above. It is respectfully submitted that with respect to amended independent claim 23, the Holloway reference fails to teach or suggest, one or more computer-readable storage media having computer-executable instructions embodied thereon that, when executed, perform a method for conditioning a clinically related billing item, the method including, in part, receiving a preliminary billing item associated with a clinical event and analyzing, *as a condition precedent to transmitting the preliminary billing item to a paying party*, the preliminary billing item by comparison against at least one mandatory billing guideline to determine compliance therewith. Rather, the Holloway reference describes a system to be utilized by the paying party to assess claims and determine if payment is proper rather than a system wherein *as a condition precedent to transmitting a billing item to a paying party*, the billing item is analyzed against at least one mandatory billing guideline to determine compliance therewith, as recited in independent claim 23, as amended herein. Accordingly, it is believed that claim 23 is non-obvious in view of the Holloway reference.

Claim 24 depends directly from independent claim 23 and, accordingly, claim 24 is believed to be non-obvious in view of the Holloway reference for at least the above-cited reasons. As such, withdrawal of the 35 U.S.C. § 103(a) rejection of claim 24 is respectfully

requested. Claim 24 is believed to be in condition for allowance and such favorable action is respectfully requested.

C.) Obviousness Rejection Based upon the Holloway reference in view of U.S. Patent No. 5,235,702 to Miller

Claims 8, 19, and 30 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the Holloway reference, as applied to claims 1, 6, 7, 12, 17, 18, 23, 28, and 29 in view of in view of U.S. Patent No. 5,235,702 to Miller (hereinafter the “Miller reference”). As the Holloway reference and the Miller reference, whether taken alone or in combination, fail to teach or suggest all of the limitations of claims 8, 19, and 30, Applicant respectfully traverses this rejection, as hereinafter set forth.

Claims 8, 19, and 30 indirectly depends from independent claims 1, 12, and 23, respectively. As previously discussed, the Holloway reference, fails to teach or suggest receiving a preliminary billing item associated with a clinical event and analyzing, *as a condition precedent to transmitting the preliminary billing item to a paying party*, the preliminary billing item by comparison against at least one mandatory billing guideline to determine compliance therewith, as recited in each of independent claims 1, 12, and 23, as amended herein. It is respectfully submitted that the Miller reference fails to cure this deficiency of the Holloway reference, nor is it relied upon for such teaching. Rather, the Miller reference describes a system for automated posting of medical insurance claims that utilizes a scanner and optical character recognition (OCR) technology to automatically interpret and correct scanner and OCR imperfections and abnormalities, verify suspect configurations, and post converted claims directly to the providing medical computer system. *See, Miller Reference* at col. 2, line 64–col. 3, line 5. The Miller reference does not, however, describe comparing a preliminary billing item

against at least one mandatory billing guideline to determine compliance therewith, *as a condition precedent to transmitting the preliminary billing item to a paying party*, as set forth in the independent claims from which the rejected claims depend.

Accordingly, claims 8, 19, and 30 are believed to be non-obvious in view of the Holloway reference in view of the Miller reference for at least the above-cited reasons. As such, withdrawal of the 35 U.S.C. § 103(a) rejection of claims 8, 19, and 30 is respectfully requested. Claims 8, 19, and 30 are believed to be in condition for allowance and such favorable action is respectfully requested.

#### **NEW CLAIMS**

Each of claims 34, 35 and 36 has been added by way of the present communication. It is respectfully submitted that each of the added claims is supported by the as-filed specification and drawings and that no new matter has been added by way of the claim additions. Each of claims 34, 35 and 36 is believed to be in condition for allowance and such favorable action is respectfully requested.

### **CONCLUSION**

For at least the reasons stated above, each of claims 1, 2, 4-13, 15-24, and 26-36 is believed to be in condition for allowance and such favorable action is respectfully requested. If any issues remain that would prevent issuance of this application, the Examiner is urged to contact the undersigned by telephone prior to issuing a subsequent action.

The fee for a two-month extension of time under 37 C.F.R. § 1.17(a)(2) is submitted herewith. It is believed that no additional fee is due in conjunction with the present communication. However, if this belief is in error, the Commissioner is hereby authorized to charge any amount required to Deposit Account No. 19-2112, referencing attorney docket number CRNI.110509.

Respectfully submitted,

/Tawni L. Wilhelm/

Tawni L. Wilhelm  
Reg. No. 47,456

DPD/TLW/BPT  
SHOOK, HARDY & BACON L.L.P.  
2555 Grand Blvd.  
Kansas City, MO 64108-2613  
816-474-6550